



For Immediate Release
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Revenues Associated with AB 155 Enactment Top a Quarter Billion Dollars

Sacramento – California State Board of Equalization (BOE) Chairman Jerome E. Horton today announced that tax revenue collected and remitted to the state from the companies generally associated with the implementation of [Assembly Bill 155](#) (Statutes of 2011, Chapter 313) totals \$263.4 million. This amount includes state, local, and district taxes.

AB 155 took effect on September 15, 2012, nearly three months after the start of Fiscal Year 2012-13. Currently, 45 businesses generally associated with AB 155's enactment have registered with the BOE and are collecting tax on their sales to California consumers as required by law.

Revenue Collection by Quarter:

- 3Q 2012 - \$11.9 million
- 4Q 2012 - \$96.4 million
- 1Q 2013 - \$75.8 million
- 2Q 2013 - \$79.3 million

Online and other retailers that do not otherwise have a physical presence in California are required to register and collect tax if they have more than \$10,000 in sales to California customers through referrals from affiliates based in California, and have sold more than \$1 million in tangible personal property to California consumers in the past 12 months. The BOE notified approximately 200 businesses that might be required to register under AB 155 by survey letters informing them of the law. The BOE continues to work with these businesses to determine their status and assist those who must report and pay the taxes due.

When online, telephone, and mail-order retailers do not collect the tax, California consumers are still legally responsible for paying use tax on purchases from out-of-state retailers if they use or store the purchased items in California. If the bill for a purchase does not show a line item for tax, the consumer generally owes use tax which

SUBTOTAL (3 ITEM):	\$69.95
SHIPPING	FREE
If you didn't pay California sales tax here then you likely owe use tax	
GRAND TOTAL	\$69.95

is the same as their local sales tax rate. Consumers who do not have receipts for their nonbusiness purchases can use BOE's convenient 2013 Use Tax Look-up Table to estimate and pay the amount owed when they file their state income tax returns, as long as purchases of individual items do not exceed \$1,000. Look for that table on the BOE's website in early January.

Current [BOE estimates](#) show approximately one billion dollars goes uncollected each year in California. Just like state sales tax, use tax provides funding for state and local services such as public education and safety, transportation, and healthcare.

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Elected in 2010, Chairman Jerome E. Horton is the Fourth District Member of the California State Board of Equalization, representing more than 8.5 million residents in Los Angeles County. He is also the Board of Equalization's Legislative Committee Chairman. He is the first to serve on the Board of Equalization with over 21 years of experience at the BOE. Horton previously served as an Assembly Member of the California State Assembly from 2000-2006.

The five-member California State Board of Equalization is a publicly elected tax board. The Board of Equalization collects more than \$53.7 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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